Q. [Decommissioning] – For each activity envisioned in the decommissioning process, please provide the following:

a. a detailed narrative identifying the activity;

b. all support and justification for the crew mix;

c. the base and fully loaded labor rates for each crew member; and

d. a complete demonstration that the crew mix is the same crew mix reflected in the productivity factors obtained from the engineering consulting firm. To the extent they are not, indentify the differences.

A. a. ***Objection***

Activities envisioned in the decommissioning process would vary significantly between asset classes and specific assets. For this reason, this request is overly broad and unfocussed. Newfoundland Power objects to the production requested on the basis that (i) it is insufficiently specific and (ii) in the circumstances, not necessary for a satisfactory understanding of the matters to be considered on this Application, all as required by Section 14 of the *Board of Commissioners of Public Utilities Regulations, 1996*.

Specific detailed descriptions of decommissioning processes for generating units, substation equipment, transmission lines, distribution lines, telecommunications facilities and general property are impractical and incapable of response within a reasonable timeframe.

In recent years, the large asset most frequently decommissioned by Newfoundland Power has been a diesel generating unit. Following is a general narrative of the decommissioning process for diesel generating units, including a description of all of the main activities envisioned therein.[1]

General

When the decommissioning of a diesel generating unit is executed, it is assumed that the associated facility will be removed entirely and that the site will be restored to an acceptable condition consistent with its surroundings. All above ground structures will be removed and foundations demolished to below grade level. All fuel storage tanks and fuel conveyance systems will be removed and disposed of in an environmentally acceptable manner. All waste will be removed to a landfill or waste disposal site suitable for the material being disposed of.

[1] For additional information regarding decommissioning of Newfoundland Power's hydroelectric and thermal generating plants, please see the response to Request for Information CA-NP-36.

The decommissioning of a diesel generating plant is a fairly straightforward process, as the facility is typically limited to a building, the prime mover equipment contained in the building and an external fuel tank. The decommissioning scenario involves preparation of the site for work, removal of the physical equipment, demolition of the building and external auxiliaries and site remedial work.

The cost estimates for demolition of sites will typically be provided by contractors familiar with demolition work.

Preparation for Demolition
Prior to the commencement of demolition work, any asbestos and other hazardous materials in the plant will be removed. Asbestos material will be disposed of in a local landfill site in accordance with asbestos abatement regulations. Other materials will be disposed of in accordance with applicable regulations.

Demolition
The prime movers and associated equipment will be removed and cut up for disposal. Usable motors and switchgear will be removed for salvage. After the equipment has been removed, the turbine hall floor will be removed by demolishing the concrete slabs; the building will be demolished by cutting and dropping the structural steel.

Material to be salvaged will be segregated and loaded into trucks. Material uneconomical for salvage will be removed to a local landfill site.

The main concern associated with demolition will be identified environmental issues and associated costs. If the facility contains asbestos, it must be removed prior to equipment removal and building demolition. Fuel tanks and pipes must be emptied, degassed and cleaned prior to demolition. All waste oils must be disposed of in an environmentally acceptable manner. Any contamination of the property will have to be cleaned up as part of the decommissioning process. Typically, an environmental site assessment will be required prior to decommissioning of a diesel generating plant site.

Site Reclamation
Most thermal plant sites are located in industrial settings and there is usually no need for extensive seeding or tree planting. Concrete foundations will be demolished to below grade and the areas overlying the foundations backfilled and graded. An environmental site assessment will determine whether more extensive site cleanup is required. If contaminated soils are encountered, the material will need to be removed and disposed of in an approved treatment facility.

b. Newfoundland Power does not utilize considerations of crew mix or productivity factors in the development of decommissioning costs. Newfoundland Power's

decommissioning studies have focused on small generating plants whose decommissioning have involved a much lower level of complexity that the decommissioning of large generating facilities such as, for example, Newfoundland and Labrador Hydro's Holyrood Thermal Generating Station.[2]

c. See part "b." to this response.

d. See part "b." to this response.

[2] Newfoundland Power's hydroelectric generation sites vary between capacities of 0.4 and 14 MW. Its diesel plants and gas turbines vary from 2.4 MW to 20 MW. Hydro's Holyrood Thermal Generating Station has a capacity of 465 MW.